

△ DEFENDANT △	United States District Court Northern District of California Case No. <u>4:20-cv-05640-YGR</u> Case Title <u>Epic Games, Inc. v. Apple, Inc.</u> Exhibit No. <u>DX-5627</u> Date Entered _____ Susan Y. Soong, Clerk By: _____ Deputy Clerk
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Subject: Re: Indy Developer Program
From: "Todd Teresi" [REDACTED]
Received(Date): Fri, 22 Jun 2018 04:01:09 +0000
To: "Phil Schiller" [REDACTED]
Cc: "Matt Fischer" [REDACTED], "Emily Blumsack"
[REDACTED], "Eddy Cue" [REDACTED], "Ron Okamoto"
[REDACTED], "Carson Oliver" [REDACTED]
Date: Fri, 22 Jun 2018 04:01:09 +0000

Love this idea. We could also double down on the Jump Start and give this group a larger starting Search Ads credit \$200 to \$500 that is not dependent on their earnings (standard credit for 1st time is \$100). This would really pay off the Jump Start as we'd be giving them the ability to get started quickly and get to the top of the search results. As you point out, we just need to figure out how to identify a 1st time developer.

> On Jun 21, 2018, at 12:05 PM, Carson Oliver [REDACTED] wrote:
 >
 > Happy to help with this. I'll have something ready to review next week.
 >
 > Thanks,
 > Carson
 >
 >
 >> On Jun 21, 2018, at 11:45 AM, Matt Fischer [REDACTED] wrote:
 >>
 >> Privileged & Confidential
 >>
 >> + Carson
 >>
 >> Carson worked on a similar concept several years ago for smaller, indie developers that we shared with Eddy but we chose not to pursue it at that time. And obviously it didn't include any related to Search Ads because that program didn't exist.
 >>
 >> Carson - please work with Todd on this and let's aim to review it at Staff next Wednesday.
 >>
 >> Best,
 >> Matt
 >>
 >>> On Jun 21, 2018, at 10:08 AM, Philip Schiller [REDACTED] wrote:
 >>>
 >>> Privileged & Confidential
 >>>
 >>> Sorry, I realize I wrote that horribly.
 >>>

>>> The 50% of revenue that I referred to is half of the 30% rev share. So in their first year it would be at least 15% rev going to Apple for rev share and up to 15% of the rev going to search ad basics instead of rev share. Does that make more sense?

>>>

>>> I think that would be a big win for small developers. What do you think?

>>>

>>> Sent from my iPhone

>>>

>>>> On Jun 21, 2018, at 9:32 AM, Philip Schiller [REDACTED] wrote:

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>>>> There have been some discussions through the years about how to create a great program for indie developers to get started on the App Store.

>>>>

>>>> Here is an idea called "Jump Start" = Small, independent developers get to use up to 50% of their first year revenue (from app purchases, IAP, and Subscription revenue) toward Search Ads Basic up until some reasonable cap. They would have to be real first time developers (I don't know how we vet that) and maybe also small developers with a brand new title for the first year (to give an opportunity to those who have already been on the store). The cool thing is that new, small developers can use their revenue to accelerate the growth of their new app with guaranteed downloads via search.

>>>>

>>>> It would be worth considering something like this. It would take some thinking to make sure it isn't easy for developers to game this offer (like spinning off every title into new small companies to get a benefit). I think it is important for this to be seen as an App Store program for all small developers, not an iAD program to get developers into iAds (though one would hope they love iAds and would see the benefit).

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